

Message Text

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67

ORIGIN EB-11

INFO OCT-01 EUR-25 ISO-00 AGR-20 CEA-02 CIAE-00 COME-00

DODE-00 FRB-02 H-03 INR-10 INT-08 L-03 LAB-06 NSAE-00

NSC-10 PA-04 RSC-01 AID-20 CIEP-02 SS-20 STR-08

TAR-02 TRSE-00 USIA-15 PRS-01 SPC-03 OMB-01 IO-14

OIC-04 AF-10 ARA-16 EA-11 NEA-10 /243 R

DRAFTED BY EB/OT/TA:THGEWECKE:JW

APPROVED BY EB/OT/TA:JWHOLMES

EB/STA:WDIROLL

EB/ORF:RSIMPSON

EUR/CAN-EBROWN

L/EB:DBURNS

AGRICULTURE:DWANAMAKER

STR:HPROPPS

COMMERCE:RHAMERSCHLAG(INFO)

TREASURY:JNEWMAN (INFO)

----- 110537

P 152134Z OCT 73

FM SECSTATE WASHDC

TO AMEMBASSY OTTAWA PRIORITY

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E.O. 11652: N/A

TAGS: ETRD, GATT, CA

SUBJECT: GATT ARTICLE XIX - CHERRIES CONSULTATIONS

REF: OTTAWA 2451

1. IF CANADIANS RAISE POINTS REPORTED REFTEL, U.S. RESPONSE
DURING OCTOBER 16 CONSULTATIONS SHOULD BE ALONG LINES
PARA. 5 OF REFTEL. IN PARTICULAR U.S. DOES NOT CONSIDER
COMMITMENT THAT MTN'S "SHOULD INCLUDE AN EXAMINATION OF THE
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ADEQUACY OF THE MULTILATERAL SAFEGUARD SYSTEM" TO BE

RELEVANT TO SETTLEMENT OF CASE AT HAND. NOR DOES U.S. CONSIDER "JUSTIFICATION" OF CANADIAN ACTION TO BE AN ISSUE IN PRESENT CASE, SINCE COMPENSATION IS OWING UNDER ARTICLE XIX WHETHER OR NOT ACTION WAS "JUSTIFIED". IN U.S. VIEW, ARTICLE XIX 3(A) ALLOWS U.S. TO SUSPEND SUBSTANTIALLY EQUIVALENT CONCESSIONS IF AGREEMENT NOT REACHED "WITH RESPECT TO THE ACTION." U.S. INTERPRETS LAST PHRASE TO PERMIT AFFECTED PARTY TO WITHHOLD AGREEMENT IN ABSENCE OF AGREEMENT ON SUITABLE COMPENSATION WHERE GATT BINDING HAS BEEN IMPAIRED, AND TO /SELF-COMPENSATE" BY MEANS OF RETALIATORY ACTION.

2. U.S. POSITION IS THEREFORE TO INSIST ON COMPENSATION. IF CANADIANS WISH TO REFER MATTER TO MINISTERS, U.S. REPS SHOULD NOTE U.S. RIGHT TO SUSPEND CONCESSIONS WHICH EXPIRES NOVEMBER 1 AND OFFER TO JOIN WITH CANADIANS IN

2. EXTENDING DEADLINE.

3. LEAD AND ZINC CASE: CANADIANS HAVE OFTEN ALLEGED THAT U.S. DENIED THAT COMPENSATION WAS DUE COUNTRIES AFFECTED BY U.S. ARTICLE XIX ACTION ON LEAD AND ZINC IN 1958. U.S. POSITION IN THIS CASE WAS TO RECOGNIZE THAT AFFECTED PARTIES ARE ENTITLED TO REQUEST COMPENSATION UNDER GATT RULES. HOWEVER, NO REQUESTS FOR COMPENSATION WERE RECEIVED BY USG.

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ZINC, LEAD, TRADE AGREEMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 15 OCT 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: garlanwa
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973STATE204171
Document Source: CORE
Document Unique ID: 00
Drafter: THGEWECKE:JW
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19731031/aaaaawut.tel
Line Count: 89
Locator: TEXT ON-LINE
Office: ORIGIN EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: OTTAWA 2451
Review Action: RELEASED, APPROVED
Review Authority: garlanwa
Review Comment: n/a
Review Content Flags:
Review Date: 31 AUG 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <31-Aug-2001 by rowellE0>; APPROVED <14-Nov-2001 by garlanwa>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: GATT ARTICLE XIX - CHERRIES CONSULTATIONS
TAGS: ETRD, CA, US, GATT
To: OTTAWA
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005